



DEPARTMENT OF THE NAVY
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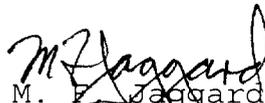
MEMORANDUM FOR DISTRIBUTION

Subj: CHANGES TO NAVY MARINE CORPS ACQUISITION REGULATION
SUPPLEMENT (NMCARS) AND NAVY MARINE CORPS ACQUISITION
GUIDE (NMCAG)

Encl: (1) NMCARS Change #03-1
(2) NMCAG Change #03-1

The changes identified in enclosures (1) and (2) are hereby incorporated into the November 2003 NMCARS and NMCAG.

These changes are effective immediately and will be reflected in the NMCARS and NMCAG online.


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Chief of Staff/Policy
for DASN(ACQ)

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SUPPLEMENT (NMCARS) AND NAVY MARINE CORPS ACQUISITION
GUIDE (NMCAG)

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The following changes are hereby incorporated into the November 2003 NMCARS.

1. NMCARS Subpart 5201.3 Heading is added as follows:

SUBPART 5201.3--AGENCY ACQUISITION REGULATIONS

2. NMCARS 5201.601-90(c) is revised to clarify the responsibilities of MSC for purchasing or providing the services of ocean-going vessels. The paragraph is revised as follows:

5201.601 General

5201.601-90 Department of the Navy authorities and responsibilities.

(c) Military Sealift Command (MSC) responsibility for services of ships and craft for other than transportation. The MSC is responsible for purchasing or otherwise providing DoN activities, as requested, the services of ocean-going ships and craft for purposes other than transportation such as oceanographic research and survey including underwater research; cable laying; repair facilities; and range instrumentation. This includes ferries and tugs, but excludes (1) other harbor craft; (2) ferries and tugs used for husbanding services; and (3) ferries and tugs used for OCONUS services. Requirements for such services or ships, except those (1) specifically excluded by this paragraph (c); (2) met by ships and craft organic to the Military Services; and (3) required in the installation phase of a system by the systems contractor, shall be placed with MSC in a timely manner to permit maximum competition.

3. NMCARS 5217.204 is changed as follows:

5217.204 Contracts.

(e) Approval for use of contract terms in excess of the limitations specified in FAR 17.204(c) must be supported by valid justifications, documented in writing and obtained prior to solicitation. Approval shall be at a level not lower than the CCO.

4. NMCARS 5237.170-3 is restated to correct the first subparagraph (b) to 5237.170-3(a), and revise 5237.170-3(b) as follows:

5237.170-3 (DFARS 237.170-3) Approval requirements.

(a) Acquisition of services through a DoD contract or task order that is not performance based.

(1) The HCA is the agency's designee for approval of acquisition of services at or below \$50,000,000 that is not performance based. For acquisitions above \$5 million, HCA authority may be delegated only to the Deputy/Assistant Commander for Contracts, a Flag or

General Officer or SES who is a member of the Acquisition Professional Community, or, for commands/locations without a local SES/Flag/General Officer, to the Commanding Officer, but not further.

(2) For acquisitions exceeding \$50,000,000, but below \$500,000,000, the approval authority is DASN(ACQ).

(b) *Acquisition of services through any contract or task order awarded by an agency other than DoD.* In addition to review and approval in accordance with the DoN Management Oversight Process for Acquisition of Services, approval must be obtained from:

(1) The HCA for actions at or below \$50,000,000. For acquisitions above \$5 million, HCA authority may be delegated only to the Deputy/Assistant Commander for Contracts, a Flag or General Officer or SES who is a member of the Acquisition Professional Community, or, for commands/locations without a local SES/Flag/General Officer, to the Commanding Officer, but not further.

(2) DASN(ACQ) for actions exceeding \$50,000,000.

The following changes are hereby incorporated into the November 2003 NMCAG.

1. NMCAG Subpart G5207.70 is added as follows:

SUBPART G5207.70--BUY-TO-BUDGET -- ADDITIONAL QUANTITIES OF END ITEMS

G5207.7002 Authority to acquire additional quantities of end items.

Determinations for use of this authority should be prepared as Determinations and Findings (D&Fs) (see FAR Subpart 1.7) for approval by ASN(RDA). Proposed determinations should be submitted through DASN(ACQ), and should include an endorsement by the activity comptroller.

2. NMCAG Subpart G5233.2 heading line is added as follows:

SUBPART G5233.2--DISPUTES AND APPEALS